

## REMARKS

Claims 2-3, 5, 7, 17-18, 20, 22, 32-33, 35 and 37 have been canceled. Claim 1 has been amended to incorporate some subject matter from claims 2, 5, 11 and 13. New dependent claims 47-52 have been added.

Responding to paragraphs 1-2 of the Office Action, the Examiner's rejection of claims 1-46 under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement is respectfully traversed. The Examiner states:

The applicant does not provide enough detailed information to specifically describe what steps are involved in the production, diffusion and application of organizational knowledge. Similarly, no steps are given by the applicant to specifically described how to develop or implement an embryonic policy, a knowledge policy, a diversity policy, a connectivity policy to enable one of ordinary skill in the art to construct such a device from the applicant's disclosure without undue experimentation.

It appears that the Examiner's rejection may result from a misunderstanding of the nature of the invention claimed in amended claim 1. Claims 1-46 are not directed to a "device" but rather to a method. Amended claim 1 is directed to a management method by which at least one knowledge policy is synchronized with a tendency to self organize around one or more of production, diffusion and application of organizational knowledge. A proposed knowledge policy is compared with a preexisting policy and refined if necessary.

As explained in detail in the following paragraphs, the various knowledge policies included in the claims, the self-organizing tendencies, and the synchronization of the

knowledge policies with self-organizing tendencies are all taught with sufficient detail for a person of ordinary skill to practice the claimed method without undue experimentation.

Examples of the self-organizing tendencies are described in the embodiments described on page 63, line 21 through page 64, line 13. The exemplary self-organizing tendencies described in the embodiments of pages 63-64 can be generally summarized as the self-organizing tendencies to:

- propose organizational knowledge claims,
- test the proposed organizational knowledge claims,
- validate the tested organizational knowledge claims, and
- practice the validated organizational knowledge claims.

Synchronization is further described in the embodiments described on page 79, lines 17-22:

There are several steps in which the proposed policies are synchronized with the tendency of the human social system to self organize around one or more of the production, diffusion and application of organizational knowledge. These steps include S14, S15, S16, S21, S22, S31, S32, S33, S34 and S41.

The identified steps are described in connection with Figs. 2-5 on pages 72-79 of the specification.

Examples of the specific policies said by the Examiner to be insufficiently described are explained in connection with embodiments described in the specification.

Knowledge embryology policy and the synchronization of that policy are explained at least in connection with the embodiments described on page 66, line 21 through page 67, line 20:

Embryology of Knowledge: The embryology of knowledge can be traced to the extent to which individuals in an organization are free to pursue their own learning agendas, and the degree to which they are further free to self-organize into knowledge making communities of interest or practice. The Embryology dimension breaks down into two sub-components: Individual Learning and Community Formation. Applying the methodology would therefore entail the study of an organization's current policies and practices in these two areas, as well as the potential implementation of new ones. In this regard, the preferred embodiment is far more comprehensive in breadth than the intrinsic motivation or learning literature discussed in the Background section of this application, since it deals explicitly with the subject of organizational learning and innovation, as well as the role played by communities of interest, or practice, in collective knowledge-making.

Synchronizing Embryology of Knowledge policies with the tendency of human social systems to self-organize around individual learning and community of interest, or practice, formation can have the effect of causing these behaviors to become more fully realized and collectively practiced. As a result, the rate and/or quality of organizational innovation can be improved.

Knowledge of politics policy and synchronization of that policy is explained at least in connection with the embodiments described on page 67, line 17 through page 69, line 2:

Politics of Knowledge: The politics of knowledge-making, diffusion and application, or use, in an organization can have a dramatic impact on overall rates of business innovation and the quality of ideas produced. Most organizations tend to be organized oligarchically around these functions. The “Politics of Knowledge” refers to the distribution and dynamics of power in human social systems according to which organizational knowledge and the rules by which it will be diffused and applied in practice are produced. Knowledge-related political systems are similar in shape and form to political systems of governance, with the most common form consisting of oligarchies. In business, for example, most significant organizational knowledge, such as strategies and organizational designs, are created by boards of directors or senior-level management teams. The vast majority of workers in such systems play a minor role, if any, when it comes to creating the knowledge that they are, nonetheless, expected to practice. These top-down knowledge-creating oligarchies are distinctly different, by contrast, to consensus-oriented, or democratic knowledge-making systems, in which everyone in the organization has an opportunity to participate in the creation of organizational knowledge as well as the rules by which it will be diffused and applied throughout the organization – i.e., bottom-up systems.

Synchronizing Politics of Knowledge policies with the tendency of human social systems to self-organize around the production, diffusion and application of organizational knowledge — including rights, or entitlement, to such knowledge — can have the effect of causing these behaviors to become more fully realized and collaboratively practiced. As a result, the rate and/or quality of organizational innovation can be improved.

Knowledge diversity policy and synchronization of that policy are explained at least in connection with the embodiments described on page 69, lines 6-17:

Intellectual Diversity of Knowledge: The degree to which an organization supports a plurality of ideas, even dissident ones, will, too, have a material impact on its overall performance in innovation. Firms which seek diversified intellectual ethnographies tend to be more innovative than those which don't.

Synchronizing Intellectual Diversity of Knowledge policies with the tendency of human social systems to self-organize around the establishment, maintenance and support of intellectual diversity in an organization can have the effect of causing the organization's rate and/or quality of innovation to improve.

Knowledge connectivity policy and synchronization of that policy are explained at least in connection with the embodiments described on page 69, line 18 through page 70, line 7:

Connectivity of Knowledge: The density of communications and networks in organizations - social ones and otherwise - are also important to business innovation. The degree to which a culture values effective communications and connectivity between individuals and groups will, therefore, also influence the rate and quality of its innovation performance.

Synchronizing Connectivity of Knowledge policies with the tendency of human social systems to self-organize around the establishment, maintenance and support of effective communications between individuals and groups in an organization can have the effect of causing the organization's rate and/or quality of innovation to improve.

Thus, there is a teaching of knowledge policies, self-organizing tendencies, and the synchronization of knowledge policies with self-organizing tendencies sufficient for a person of ordinary skill to practice the claimed method without undue experimentation.

Responding to paragraph 3 of the Office Action, the rejection of claims under 35 U.S.C. 101 because of non-statutory subject matter is respectfully traversed. The Examiner relies on a "two-prong test" without citing any authority for the test. In fact, the "two-prong test" is contrary to MPEP § 2106.IV.A (pages 2100-10 – 2100-11, 8<sup>th</sup> Ed.) which states:

[A] complete definition of the scope of 35 U.S.C. 101, reflecting Congressional intent, is that any new and useful process, machine, manufacture or composition of matter under the sun that is made by man is the proper subject matter of a patent.

The subject matter courts have found to be outside the four statutory categories of invention is limited to abstract ideas, laws of nature and natural phenomena.

Claims 1-30 claim a method, which falls within the process category of patentable subject matter identified in § 101. The method does not fall within any subject matter outside the four statutory categories, i.e., abstract ideas, laws of nature and natural phenomena. The claimed method is clearly useful, and the Examiner has made no rejection for lack of utility. *State Street Bank & Trust Co.. v. Signature Financial Group Inc.*, 149 F.3d 1368, 1375-1377, 47 USPQ2d 1596, 1602-1604 (Fed. Cir. 1998) and *AT&T Corp. v. Excel Communications, Inc.*, 172 F.3d 1352, 50 USPQ2d 1447 (Fed. Cir. 1999) stand for the proposition that if claimed subject matter produces a useful, concrete and tangible result, the requirements of 35 U.S.C. §101 are satisfied. (See, also the 35 U.S.C. 101 Training Materials on the PTO web site.) Claim 1 claims a method of managing the one or more of the production, diffusion and application of knowledge, which necessarily provides a useful, concrete and tangible result. Claim 16 claims a method of providing instruction in order to manage one or more of the production, diffusion and application of knowledge, which necessarily provides a useful, concrete and tangible result. As a result, claims 1-30 claim a process within the meaning of 35 U.S.C. §101.

The Examiner contends that in order to be patentable under 35 U.S.C. § 101, the method must promote the “progress of science and the useful arts” (i.e., the physical sciences as opposed to social sciences, for example). The Examiner cites no authority for this theory, which is contrary to the MPEP quoted above. In any event, as the name

implies, social science is one of the sciences. For example, *The New Encyclopaedia Britannica*, Vol. 10, p. 923 (1995), states:

Social science, any discipline or branch of science that deals with the social and cultural aspects of human behaviour. The social sciences generally include economics, political science, sociology, and social psychology.

The Examiner also states that the present method does not produce a tangible result “such as a document, a list, or a step-by-step formal procedure that is usable by someone charged with making the invention,” without citing any authority. This physical limitation test is contrary to the MPEP section quoted above and was rejected by the Court in *AT&T*, *supra* at 1358-1360.

In any event, claim 1 is limited to practicing a policy and then refining the policy, if necessary, and then practicing the refined policy. This necessarily involves a tangible result. The results of practicing a policy must be tangible, or they could not be refined. In addition, the method results in the production of stronger, more effective tendencies to self organize. As stated on page 64, lines 9-11 of the specification, one result of the method is that:

Old knowledge claims give way to new ones as individuals and communities continually form and validate better knowledge claims.

This is a tangible result that deserves patent protection.

Claim 16 is analogously limited and is allowable for the same reasons as claim 1.



Claims 15 and 30 limit claims 1 and 16, respectively, to business methods. MPEP § 2106 p. 2100-5, states that claims should no longer be rejected under § 101 because they are business methods:

Office personnel have had difficulty in properly treating claims directed to methods of doing business. Claims should not be categorized as methods of doing business. Instead, such claims should be treated like any other process claims, pursuant to these Guidelines when relevant. See, e.g., *State Street*, 149 F.3d at 1374-75...

Thus, rejection of claims 15 and 30 under 35 U.S.C. § 101 is contrary to the MPEP and applicants respectfully request that it be withdrawn.

For all the foregoing reasons, claims 1-30 claim statutory subject matter.

Responding to paragraphs 4-17 of the Office Action, the Examiner's rejection of claims 1-8, 10-23 and 25-30 under 35 U.S.C. 102(b) as being anticipated by the Book *The Innovator's Handbook* ("IH") is respectfully traversed for at least the following reasons.

Regarding claims 1 and 16, the Examiner states that IH discloses:

A human social system having a tendency to self organize around one or more to the production, diffusion and application of organizational knowledge, a method of enhancing one or more of the production (page 87, "brainstorming"), diffusion (page 169, "Briefing Meetings") and application (page 91, "a five-step strategy for managing the creative resource") of such knowledge comprising synchronizing knowledge policies with said tendency.

This statement is respectfully traversed. None of the passages relied on by the Examiner describe any tendency to self organize, much less a tendency to organize around one or more of the production, diffusion and application of organizational knowledge. The passages also do not teach or suggest the synchronization of a knowledge policy with such a tendency to self organize.

The “brainstorming” section on page 87 is part of chapter 7, “Problem-solving systems.” On page 84, the author states:

Most techniques provide a structured approach; separate steps in the process are identified and used in a methodical sequence. Structure is valuable in providing discipline for thinking privately; it is even more valuable when you are working with others, because it ensures that everyone is on the same wavelength, doing the same thing at the same time.

The separate steps in the structured approach (including the step of brainstorming) to ensure that everyone is “doing the same thing at the same time” is the antithesis of the tendency to self organize to which claim 1 is limited. The structure described in chapter 7 of IH requires intervention that would stifle any tendency to self organize.

Chapter 7 of IH also fails to teach or suggest any synchronizing with the tendency to self organize, as required by claim 1. The examiner has cited no portion of IH which is said to teach such synchronizing, and the undersigned can find none.

The “Briefing Meetings” section on page 169 states that such a meeting:

is a straightforward one-way process of information giving, with provision to clarify understanding by questions from the recipients of the information...

The briefing group system is intended to ensure that people in the organization know what is happening and understand the reasons for the decisions.

The briefing meeting does not involve any tendency to self organize, but is merely an attempt to convey the reasons for decisions already made by people other than the participants in the meeting. Such an approach would stifle any tendency to self organize, because decisions have already been made which would overrule any tendency to self organize.

Page 169 of IH also fails to teach or suggest any synchronizing with a tendency to self organize, as required by claim 1. The examiner has cited no portion of IH that is said to teach such synchronizing, and the undersigned can find none.

The “five step strategy for managing the creative resource,” does not speak to a tendency to self organize, and does not seek to synchronize any policy with the self-organizing tendency. Instead, it is concerned with managing the “attitudes” of innovators and the “visibility” of the process. Steps 4 and 5 are deterministic in form. That is, rather than seek to synchronize policy with a tendency to self-organize, they advised managers to direct the focus of it from the outside, and create and maintain a culture behind it.

Claim 1 is allowable over the IH reference for the preceding reasons alone. However, there are further reasons for distinguishing the IH reference from amended claim 1.

Regarding determining a preexisting knowledge politics policy, in paragraph 7 of the Office Action, the Examiner relies on IH page 69, “determine the present position.” The quoted section does not describe determining any policy, much less a knowledge politics policy. It merely describes an undefined position concerning an unknown quantity. As explained on page 68, line 22 – page 69, line 1 of the specification, a knowledge politics policy involves the synchronization of a knowledge policy “with the tendency of human social systems to self-organize around the production, diffusion, and application of organizational knowledge.” Nothing in the quotation from IH teaches or suggests determining such a knowledge politics policy.

Regarding proposing a knowledge politics policy, in paragraph 5 of the Office Action, the Examiner relies on IH page 80, “a creative consensus is a Win/Win; all parties are satisfied.” The quoted section does not describe any policy, much less a knowledge politics policy. It merely describes a consensus about an undefined issue. As previously explained, knowledge politics policy involves the synchronization of a knowledge policy “with the tendency of human social systems to self-organize around the production, diffusion, and application of organizational knowledge.” Nothing in the quotation from IH teaches or suggests such a knowledge politics policy.

Regarding the step of practicing a proposed knowledge politics policy for the social system, in paragraph 5 of the Office Action, the Examiner relies on IH page 60, “idea development is the process by which an embryonic new idea, which is attractive but not yet feasible, is converted into a practical solution.” The quoted section does not describe practicing a policy, much less practicing a knowledge politics policy. It merely describes developing an idea, which does not involve practicing the idea, which occurs

only after the idea is developed. As previously explained, a knowledge politics policy involves the synchronization of a knowledge policy “with the tendency of human social systems to self-organize around the production, diffusion, and application of organizational knowledge.” Nothing in the quotation from IH teaches or suggests practicing such a knowledge politics policy.

Regarding the step of evaluating the practice of the proposed knowledge politics policy for the social system compared with the preexisting knowledge politics policy for the social system, in paragraph 5 of the Office Action, the Examiner relies on IH page 66, “Evaluation: pluses.” The quoted section does not teach or suggest the comparing described in the claim limitation. In addition, the quoted section does not describe practicing the knowledge politics policy referred to in amended claim 1. It merely describes advantages of evaluating in general. As previously explained, a knowledge politics policy involves the synchronization of a knowledge policy “with the tendency of human social systems to self-organize around the production, diffusion, and application of organizational knowledge.” Nothing in the quotation from IH teaches or suggests evaluating such a knowledge politics policy.

Regarding the step of refining if necessary the proposed knowledge politics policy for the social system in response to the evaluating, in paragraph 13 of the Office Action, the Examiner relies on IH page 70, “continue in this sequence until you have reached an idea that you think is worth implementing. Repeat steps 4 to 7 as necessary to develop as many new courses of action as you want and as many as you have the capability to implement.” The quoted section does not describe refining the knowledge politics policy referred to in amended claim 1. It merely describes a general structure for problem

solving. As previously explained, a knowledge politics policy involves the synchronization of a knowledge policy “with the tendency of human social systems to self-organize around the production, diffusion, and application of organizational knowledge.” Nothing in the quotation from IH teaches or suggests refining such a knowledge politics policy.

Regarding the step of practicing any revised knowledge politics policy in the social system, in paragraph 5 of the Office Action, the Examiner relies on IH page 17, “a balanced appraisal will identify all the good features of the present situation, as well as the areas that need improvement.” The quoted section does not teach or suggest that any policy is practiced, much less any revised policy. The quoted section also does not describe any particular policy to be practiced. It merely describes identifying features of an undefined “situation,” as well as undefined “areas” that need improvement. As previously explained, a knowledge politics policy involves the synchronization of a knowledge policy “with the tendency of human social systems to self-organize around the production, diffusion, and application of organizational knowledge.” Nothing in the quotation from IH teaches or suggests practicing such a knowledge politics policy.

For all the foregoing reasons, amended claim 1 is allowable over the IH.

Claim 16 has been amended in a manner analogous to claim 1 and is allowable for the same reasons as claim 1.

New claim 47 is dependent on claim 1 and is allowable for the same reasons as claim 1. In addition, claim 47 is limited to a knowledge embryology policy that is not taught or suggested by the IH reference.

Regarding the claim 47 step of determining at least one of a preexisting knowledge embryology policy and a preexisting knowledge politics policy, in paragraph 7 of the Office Action, the Examiner relies on IH page 69, “determine the present position.” The quoted section does not describe determining any policy, much less a knowledge embryology policy. It merely describes an undefined position concerning an unknown quantity. As explained on page 67, lines 3-4 of the specification, a knowledge embryology policy involves individual learning and community formation. Nothing in the quotation from IH teaches or suggests determining such a policy.

Regarding proposing at least one of a knowledge embryology policy and a knowledge politics policy, in paragraph 5 of the Office Action, the Examiner relies on IH page 42, “some springboards may be embryonic solutions which need development.” The quoted section does not describe any policy, much less a knowledge embryology policy. It merely describes an undefined solution in need of development or refinement. As explained on page 67 lines 3-4 of the specification, knowledge embryology policy involves “individual learning and community formation.” Nothing in the quotation from IH teaches or suggests individual learning or community formation.

Regarding the step of practicing at least one of the proposed knowledge embryology policy for the social system and the proposed knowledge politics policy for the social system, in paragraph 5 of the Office Action, the Examiner relies on IH page 60, “idea development is the process by which an embryonic new idea, which is attractive but not yet feasible, is converted into a practical solution.” The quoted section does not describe practicing a policy, much less practicing a knowledge embryology policy. It merely describes developing an idea, which does not involve practicing the idea, which

occurs only after the idea is developed. As previously explained, knowledge embryology policy involves individual learning and community formation. Nothing in the quotation from IH teaches or suggests practicing such a policy.

Regarding the step of evaluating the practice of said at least one of the proposed knowledge embryology policy for the social system and the proposed knowledge politics policy for the social system compared with the at least one of the preexisting knowledge embryology policy for the social system and the preexisting knowledge politics policy for the social system, in paragraph 5 of the Office Action, the Examiner relies on IH page 66, “Evaluation: pluses.” The quoted section does not teach or suggest the comparing described in the claim limitation. In addition, the quoted section does not describe practicing the knowledge embryology policy referred to in claim 47. It merely describes advantages of evaluating in general. As previously explained, knowledge embryology policy involves individual learning and community formation. Nothing in the quotation from IH teaches or suggests evaluating such a policy.

Regarding the step of refining if necessary the at least one of the proposed knowledge embryology policy for the social system and the proposed knowledge politics policy for the social system in response to the evaluating, in paragraph 13 of the Office Action, the Examiner relies on IH page 70, “continue in this sequence until you have reached an idea that you think is worth implementing. Repeat steps 4 to 7 as necessary to develop as many new courses of action as you want and as many as you have the capability to implement.” The quoted section does not describe refining the knowledge embryology policy referred to in new claim 47. It merely describes a general structure for problem solving. As previously explained, knowledge embryology policy involves



individual learning and community formation. Nothing in the quotation from IH teaches or suggests refining such a policy.

For all the foregoing reasons, new claim 47 is allowable.

New claims 49 and 51 are analogous to claim 47 and are allowable for the same reasons as claim 47.

New claim 48 includes not only the policies referred to in claim 47, but also a knowledge diversity policy and a knowledge connectivity policy. Thus, new claim 48 is allowable at least for the same reasons as claim 47.

New claims 50 and 52 are analogous to claim 48 and are allowable for the same reasons as claim 48.

Claims 2-3, 5 and 7 have been canceled. Claim 4 is dependent on new claim 47 and is allowable for the same reasons as claim 47. Claims 6, 8 and 10-11 are dependent on new claim 48 and are allowable for the same reasons as claim 48.

Claims 12-15 are dependent on claim 1 and are allowable for the same reasons as claim 1.

Claims 17-18, 20 and 22 have been canceled. Claim 19 is dependent on claim 49 and is allowable for the same reasons as claim 49. Claims 21, 23, and 25-26 are dependent on claim 50 and are allowable for the same reasons as claim 50.

Claims 27-30 are dependent on claim 16 and are allowable for the same reasons as claim 16.

Responding to paragraphs 18-19 of the Office Action, the rejection of claim 31 under 35 U.S.C. 102(e) as being anticipated by Reddy (U.S. Patent No.

6,629,096, “Reddy”) is respectfully traversed. Regarding claim 31, the Examiner states that Reddy discloses:

In a human social system having a tendency to self organize around one or more to the production, diffusion and application of organizational knowledge, ... a method of supporting the enhancing of one or more of the production, diffusion and application of said organizational knowledge and the synchronizing of knowledge policies with said tendency...

This statement is respectfully traversed. The Examiner cites no section of Reddy which teaches or suggests such a method, and the undersigned can find none. No known part of Reddy describes any tendency to self organize, much less a tendency to organize around one or more of the production, diffusion and application of organizational knowledge. No known part of Reddy teaches or suggests the synchronization of a knowledge policy with such a tendency to self organize, and the Examiner has cited none.

No known part of Reddy teaches or suggests a knowledge politics policy, and the Examiner has cited none. As previously explained, knowledge politics policy involves the synchronization of a knowledge policy “with the tendency of human social systems to self-organize around the production, diffusion, and application of organizational knowledge.” No known part of the Reddy Patent teaches or suggests such a knowledge politics policy. The Examiner agrees, because in paragraph 22 of the Office Action, the Examiner states that Reddy does not teach a knowledge politics policy.

Claim 31 is allowable for all these reasons over the Reddy Patent.

Responding to paragraph 20 of the Office Action, claim 44 is dependent on claim 31 and is allowable for the same reasons as claim 31.

Responding to paragraphs 21-26, the rejection of claims 32-38 and 40-46 under 35 U.S.C. 103(a) as being unpatentable over Reddy in view of the IH book is respectfully traversed. In paragraph 22 of the Office Action, the Examiner states:

Reddy however does not teach solving a problem by using a specific method of the knowledge embryology, politics, diversity and connectivity policies in the social system...

“The Innovator’s Handbook” does in fact teach each element of [the foregoing policies]...

The Examiner relies on the same passages from IH previously discussed in connection with claim 1. As pointed out in connection with claims 31 and 51 (as well as claims 1 and 47), IH does not teach or suggest any knowledge embryology policy or any knowledge politics policy. As a result, all claims depending on claims 31 and 51 are allowable for the same reasons as claims 31 and 51.

More specifically, claims 32-33, 35 and 37 have been canceled. Claim 34 is dependent on claim 51 and is allowable for the same reasons (previously explained) as claim 51. Claims 36, 38 and 40-41 are dependent on claim 52 and are allowable for the same reasons (previously explained) as claim 52.

Claims 42-46 are dependent on claim 31 and are allowable for the same reasons as claim 31.

Responding to paragraphs 27-28 of the Office Action, the rejection of claims 9, 24 and 39 under 35 U.S.C. 103(a) as being unpatentable over Reddy in view of the IH book is respectfully traversed.

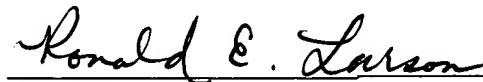
Claim 9 is dependent on claim 48 and is allowable for the same reasons as claim 48. Claim 24 is dependent on claim 50 and is allowable for the same reasons as claim 50. Claim 39 is dependent on claim 52 and is allowable for the same reasons as claim 52.

With this Amendment A, the applicants also submit various papers for the purpose of adding a co-inventor Joseph M. Firestone. The applicants respectfully request entry of these papers and the addition of Mr. Firestone to the inventors named in this application.

In summary, claims 1, 4, 6, 8-16, 19, 21, 23-31, 34, 36 and 38-52 are allowable, and such action is respectfully solicited.

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Respectfully submitted,



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